The supply of liquid milk by DMS, Mother Dairy and other agencies in Delhi are reasonably adequate ISI certification of Skimmed Milk Powder is voluntary. The quality enforcement of milk powders is done by the State Governments under the prevention of Food Adulteration Act.

Foreign Companies in the food processing area

*135. SHRI S. JAIPAL REDDY : Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state :

(a) whether a decision has been taken to permit foreign Companies like Kellogg and Coca-Cola to enter the food processing area ; and

(b) if so, the terms on which these two companies have been permitted ?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI GIRIDHAR GOMANGO) : (a) and (b), After the new Industrial Policy was announced, under the automatic approval scheme, the Reserve Bank of India has granted approval, under Foreign Exchange Regulation Act, to M/s. Kellogg Co. of U.S.A. to enter into financial-cum-technical collaboration with proposed Indian company M/s. Kellogg India Limited, for setting up of cereal processing unit in Maharashtra. The new undertaking M/s. Kellogg India Limited, will have authorised/paid up capital of Rs. 84 crores, out of which 51% amounting to Rs 42.84 crores will be held by M/s. Kellogg Co. of USA.

Government have approved a joint venture proposal submitted by M/s. JMRPCO Ltd., a company incorporated in Hongkong having NRI equity share hold of 60% and 40% share bolding by M/s Coca Cola South Asia Holdings, wholly on subsidiary of the Coca of USA with M/s. Britania Industries Limited, Calcutta and a Maharashtra State Government Agency for setting up a unit for manufacture of processed extruded snacks, processed nuts, stackable potato chips and non-alcoholic beverage bases/essence in a backward district of Maharashtra by setting up of a new company to be known as BRITCO Foods Pvt , Limited.

Of the total share capital of Rs. 26.85 crores of the proposed joint venture company M/s. BRITCO Foods Pvt. Limited, M/s. JMRPCO Ltd. will have 66% equity amounting to Rs. 17.72 crores which is to be brought in foreign exchange. M/s. Britannia Industries Limited will have 24% of equity amounting to Rs. 6.44 crores and Maharashtra State Government Agency/Institution will hold the remaining 10% amounting to Rs. 2.68 crores. The project is committed to the export-import ratio of the project in the case of import of soft drink concentrate at 3:1. In case of shortfall, eximscrip entitlement to the extent of shortfall is to be fore gone; and if this ratio is not fulfilled and eximscrips not surrendered, Govt. will have the option to restrict import of soft drink concentrate. The foreign exchange requirement for imported capital goods will be covered by foreign equity to be brought in. No payments either by way of royalty or lumpsum towards technical know-how fee etc., have been envisaged.

Sale of NAFED products by Super Bazar and Kendriya Bhandar

*136. SHRI SYED SIBTEY RAZI: Will the PRIME MINISTER be pleased to state :

(a) whether it is a fact that Super Bazar and Kendriya Bhandars are marketing all products of NAFED;